State of Connecticut Plan Comparison



This chart compares key features of the State's mandatory retirement plan options for full-time teachers and professional staff members in higher education. Part-time faculty covered under certain collective bargaining agreements also have a one-time option of waiving membership in these plans. For more details about each of these plans, please refer to the appropriate plan Web site under "For more information" identified below.

Plan	State Employees Retirement System Tier IIA	Alternate Retirement Program	Teachers Retirement System
Type of Plan	Defined Benefit	Defined Contribution	Defined Benefit
Eligibility	State employees, full-time and part-time	Teachers and professional staff members within CT higher education system and central office staff of Dept. of Higher Education	State employees in position requiring CT teaching certification, or employees teaching in CT higher education system (half time or more) (may be limited by collective bargaining agreement)
Time for Selection By New Employees	Enrollment is mandatory for employees who do not select another plan within 6 months	Must be elected within 6 months of commencing employment	Must be elected within 6 months of commencing employment
	(90 days for adjunct faculty)	(90 days for adjunct faculty)	(90 days for adjunct faculty)
Employee Contribution	2% of compensation (pre-tax)	5% of compensation (pre-tax)	7.25% of compensation (pre-tax) Excludes earnings from coaching, summer school, or non-teaching work
Employer Contribution	Actuarially determined	8% of compensation	Actuarially determined
Benefit Calculation	Formula based in part on average of 3 highest years earnings and years of service. See summary plan description (reference below)	Based solely on contributions and investment performance of account	Formula based on average of 3 highest years earnings multiplied by years of service. See website (below) for details
Investment Method	Professionally managed	Employee-directed, menu of mutual or annuity funds	Professionally managed
Investment Risk	Employer	Employee	Employer
Earliest Benefit Eligibility	Age 55 + 10 years vesting service	Age 55 (applies to employees with 5 or more years of participation)	20 years of service (15 in CT), age 55 25 years of service (20 in CT), any age
Normal Retirement Age	Age 60, 25 years vesting service Age 62, 10 years vesting service Age 62, 5 years actual service, immediate retirement	Age 65	Age 60 + 20 years of CT service 35 years service (25 in CT), any age
Disability Retirement	Yes, at any time for service-related disability, need 10 years vesting service if not service-related	No, employer-provided disability insurance policies may continue 13% contributions to plan during disability	Yes, disability allowance available

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Plan	State Employees Retirement System Tier IIA	Alternate Retirement Program	Teachers Retirement System
Minimum Vesting Period	5 years actual service	None	10 years CT service
Benefit Form	Lifetime monthly benefit payment	Flexible (lump sum, periodic, or monthly payment)	Monthly benefit payment
Cost of Living Adjustments	Yes, subject to minimum service requirements	Not applicable	Yes
Can employee make additional contributions?	No	No	Yes, into Voluntary Account (after tax only)
Pre-retirement death benefit?	Spousal benefit if employee met age and service required for immediate retirement or completed 25 years service (at any age); otherwise contributions are refunded	Account balance payable to spouse or named beneficiary, as applicable	Yes, spousal benefit payable if employee met age and service requirements for retirement; otherwise survivorship benefits will be paid
Purchase of service credit	Allowed (restrictions apply) See summary plan description (reference below)	Not applicable	Allowed (restrictions apply)
Rollovers from other retirement plans	Not allowed	Allowed	Not allowed
Limit on wages used to calculate contributions	\$245,000 (2009)	\$245,000 (2009)	\$245,000 (2009)
Employee Social Security + Medicare Participation	Both	Both	Medicare only
Portability	None	Yes, if employee separates from service before 5 years of plan participation	None
For more information	Summary Plan Description, http://www.osc.state.ct.us/ empret/tier2asumm/index	http://www.CTdcp.com (Click on ARP Plan)	Teachers Retirement Board http://www.ct.gov/trb/